

EXHIBIT “5”



WHEELER, DEFUSCO & ASSOC.
CLAIMS ADJUSTERS & ADMINISTRATORS

August 10, 2011

REPLY REQUEST

THIRD REPORT

Century Surety Company
465 Cleveland Avenue
Westerville, OH 43082

Attn: Brendon Leibrock

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RE:	Name Insured	:	J&J Properties Partnership dba: Suburban Shopping Center
	Loss Locations	:	Multiple
	Claim Number	:	01075555
	Policy Number	:	CCP678018
	Date of Loss	:	April 24, 2011
	Our File Number	:	11082

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SOURCE AND DATE OF ASSIGNMENT:

This loss was assigned to Wheeler, DeFusco & Associates on 6/13/11. Contact was established with the insured's public adjuster on 6/17/11. An appointment was scheduled for 6/17/11 at 9 am. The loss was inspected without the public adjuster on 6/17/11.

NET RESERVE:

Building:	\$0.00
Total Net Reserve	\$0.00

These reserves are subject to revision pending further investigation into policy limitations.

ENCLOSURES:

1509 NE 4th Avenue Ft. Lauderdale, FL 33304
Tel: 954 332 0796 · Fax: 954 332 0897
claims@wheeler-defusco.com

"The Science of Adjusting"

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1. PA Letter of representation

ABSTRACT OF COVERAGE:

We thank you for your policy material and forms received in our office on 4/1/11. We note coverage is provided by Century Surety Company under policy number CCP618986. The controlling forms employed are:

Business and Personal Property Coverage Form CP0010 (06-07)
Cause of Loss Basic Form CP1010 (06-07)
Multiple Deductible Form CCF 1512 (05-06)

The coverage declaration confirms coverage in the amounts as follows:

Premise 1:	\$885,900.00
Premise 2:	\$364,900.00
Premise 3:	\$193,400.00

Policy is subject to a \$1,000.00 deductible for all covered causes of loss except windstorm or hail which has a \$2,500.00 on each building. Settlement is at actual cash value.

INSURED / OWNERSHIP / LEGAL INTEREST:

The insured is J&J Properties Partnership Suburban Shopping Center. Our contact person is the public adjuster, Rickey Conradt, who can be reached at (512) 558-1430. The insured's contact number is (325) 672-8538.

RISK:

There are three scheduled properties on this policy.

Premise 1

The insured property is a strip shopping center leased to tenants at 4201 N. 1st. St. Abilene, TX 79603. The risk is a one story facility.

Building construction features are as follows;

- Interior rooms have combination vinyl tile and carpet.
- Dry wall walls covered with paint
- Ceiling consists of suspended 2X4 ceiling tiles
- Exterior has block framing with a painted finish
- Roof is made of built up roofing with gravel overlay.
- Mansard roof is wood shingles with composition shingles on parapet wall.
- Slab foundation.

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Premise 2

The insured property is a commercial building leased to tenants at 4130 N. 1st. St. Abilene, TX 79603. The risk is a one story facility.

Building construction features are as follows;

- Interior rooms have combination ceramic tile and carpet.
- Dry wall walls and ceilings covered with paint
- Exterior has block framing with a stone front elevation
- Roof is made of built up roofing with gravel overlay.
- Slab foundation

Premise 3

The insured property is a commercial building leased to tenants at 4128 N. 1st. St. Abilene, TX 79603. The risk is a one story facility.

Building construction features are as follows;

- Interior rooms have combination vinyl tile and carpet.
- Dry wall walls covered with paint
- Ceiling consists of suspended 2X4 ceiling tiles
- Exterior has metal framing with metal panels
- Roof is made of metal panels.
- Slab foundation

COINSURANCE:

Premise 1

The insured is in compliance with the 80% coinsurance requirement per our valuation of the building. Per Swift Estimator.

15,329sf bldg x \$84.08/sf = \$1,288,862.00 Building Value
 (\$219,107.00) depreciation
 \$1,069,755.00 ACV
 \$1,069,755.00 x 80% = \$855,804.00 required

Premise 2

The insured is in compliance with the 80% coinsurance requirement per our valuation of the building. Per Swift Estimator.

4,000sf bldg x \$86.38/sf = \$345,520.00 Building Value

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(\$58,738.00) depreciation
\$286,782.00 ACV
 $\$286,782.00 \times 80\% = \$229,425.60$ required

Premise 3

The insured is not in compliance with the 80% coinsurance requirement per our valuation of the building. Per Swift Estimator.

6,775sf bldg x \$85/sf = \$576,755.00 Building Value
(\$132,654.00) depreciation
\$444,101.00 ACV
 $\$444,101.00 \times 80\% = \$355,280.80$ required

POLICY VIOLATIONS:

Premise 3 has a coinsurance violation as it is not 80% compliant.

CAUSE/CIRCUMSTANCES OF LOSS:

The cause of loss in this claim is hail. On 4/24/11 it is claimed that rain and hail caused damage to the roofs of these structures.

INVESTIGATION/EXPERTS

At this time we do not feel it is necessary to retain the service of an engineer or building consultant.

MORTGAGEE/LOSS PAYEE:

The mortgagee on these properties are Hatchett & Company Real Estate at 2481 S. Danville Abilene, TX 79605

OTHER INSURANCE:

The insured stated that they do not have any additional insurance.

PREVIOUS LOSSES:

The insured stated that they have not had any previous losses

ADJUSTMENT:

Pursuant to your request we have enclosed the letter of representation of CCPA Disaster Recovery Consultants.

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SUBROGATION:

There is not an opportunity for subrogation with this loss.

SALVAGE:

There is no opportunity for salvage retention.

RECOMMENDATION:

Under the CP1010 policy hail is a covered cause of loss. However, no hail damage occurred to the roofs of these structures. We therefore recommend that a denial of coverage be made.

TO BE DONE:

1. We will await your review and response to our above stated recommendation.
2. Our file is diaried for 30 days.

We trust you will find this satisfactory and invite any comments and/or instructions you may have. We will report on this matter again within the next 30 days

Clarence Estes
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